



Quality is Our Bottom Line

FTR

Insurance Committee Public Hearing

Thursday, February 18, 2016

Connecticut Association of Health Plans

Testimony regarding

**SB 33 AAC A STUDY OF HEALTH INSURANCE COVERAGE OF AND OUT-OF-POCKET
EXPENSES FOR EPINEPHRINE**

The Connecticut Association of Health Plans appreciates the intent of SB 33 and offers the attached post by America's Health Insurance Plans for purposes of the discussion. You will note that the cost of a traditional EpiPen has increased 222% from 2007 to 2014. While we appreciate the idea of a dialogue around coverage for epinephrine as recommended under the bill, we would respectfully submit that the conversation needs to be broadened to include, or to perhaps be entirely refocused on, why pharmaceutical costs are what they are.

As recent high profile news accounts have illustrated, pharmaceutical pricing is a major cost driver in both public and private health insurance. The attached chart articulates the problem well. Instead of a task force focusing specifically on EpiPens, public policy might be better served by a broader discussion of drug costs overall and what cost reduction strategies might be undertaken to relieve the pressure on health plans to impose consumer cost sharing arrangements in general.

Thank you for your consideration.



Then and Now: The cost of prescription drugs

Despite the introduction of new, and in many cases more innovative medical treatments, prescription drugs that have been around for years continue to get more and more expensive. And what about claims of innovation when the price of one drug can rise by an astounding 9,145 percent in only six months? 9,145 percent, really? This is just one example that we have highlighted below that shows while the drugs may have stayed the same -- their price tags skyrocketed.



Doxycycline in 2013
\$20 per bottle

9,145%
increase



Doxycycline in 2014
\$1,849 per bottle



H.P. Acthar Gel in 2007
\$700 per vial

4,471%
increase



H.P. Acthar Gel in 2014
\$32,000 per vial



U-500 in 2007
\$220 per bottle

445%
increase



U-500 in 2014
\$1,200 per bottle



EpiPen in 2007
\$56.64 per pen

222%
increase



EpiPen in 2014
\$184.35 per pen



Benicar in 2007
\$2.25 per pill

164%
increase



Benicar in 2014
\$5.95 per pill



Gleevec in 2007
\$118 per pill

158%
increase



Gleevec in 2014
\$306 per pill



Copaxone in 2008
\$2,358.60
per 30 syringes

157%
increase



Copaxone in 2014
\$6,072.40
per 30 syringes

Sources:
New York Times, "Doxycycline, an Antibiotic, Is Sold for \$1849 a Bottle," April 25, 2014.
New York Times, "Prices for Drugs, Specialty Drugs, Rise in 2014," April 15, 2014.
Bloomberg View, "Freezing the Paying of Drugs," May 6, 2014.
New York Times, "The Rise of the 'Pharmaceuticals' Industry," July 2, 2014.
AP Photo, "The Cost of Living in the Drug Industry," Aug. 4, 2014.
Fishes, "Controlling the Price of Prescription Drugs," Oct. 15, 2014.

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